

Environmental Improvement Activities

The Kurita Group's business operations are closely linked with environmental improvement activities in the field of water and the environment. As such, we focus on contributing to society through our main business. Our efforts to help realize a sustainable society naturally begin with reducing our own impact on the environment. We also consider it important to promote proposals for reducing environmental impact to our customers.

As a framework for promoting environmental improvement activities, Kurita has an Environmental Improvement Promotion Committee that deliberates on matters relating to the status of the Group's environmental activities and formulates policies. In accordance with these policies, Environmental Improvement Promotion Committees within Kurita's administrative and business divisions, as well as business sites and Group companies each formulate and pursue their own measures and targets, and execute them. To check on the progress and achievement of these targets and measures, environmental improvement activity facilitators from each business site and subsidiaries convene an Environmental Improvement Activity Promotion Meeting, at which they assess the activities' adequacy and effectiveness.

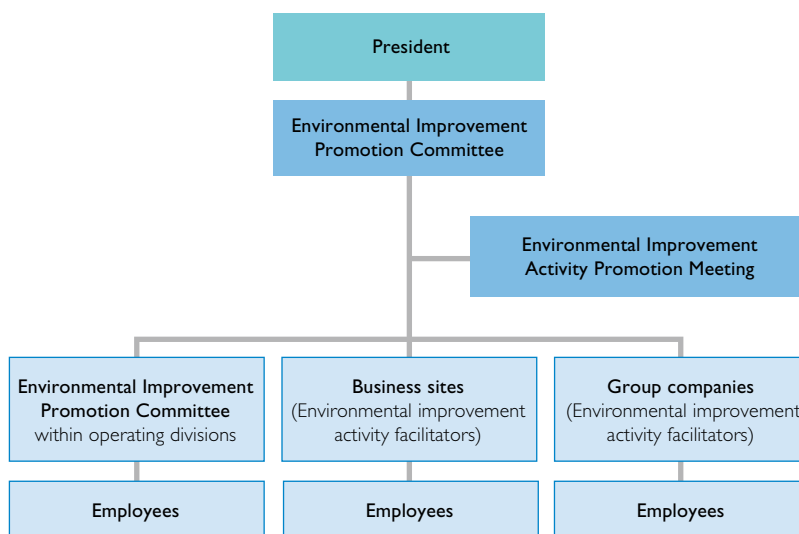
Basic Environmental Improvement Activities Policy

The Kurita Group will conduct business activities based on its corporate philosophy and will endeavor to solve water and environmental issues with the aim of making broad contributions to society.

Activity Guidelines

1. We will contribute to the realization of a resource-recycling society by developing new products and technologies conducive to environmental improvement.
2. We will work with customers to improve the environment by providing products, technologies, and services that improve productivity, reduce environmental impact, and offer innovative energy solutions.
3. In conducting business activities, we will reduce environmental impact by daily practicing the three Rs (Reduce, Reuse, Recycle) through operational improvement and innovation.

Framework for Promoting Environmental Improvement Activities



Distinctive Environmental Improvement Activities

A distinctive aspect of Kurita's environmental improvement activities is their close links with the Company's business activities. Kurita's main business involves developing products and technologies that help to improve the environment, then leveraging them to help customers reduce their environmental impact. For this reason, the Kurita Group approaches environmental improvement activities from three aspects: responding to societal needs, meeting customer needs, and pursuing internal change.

To respond to societal needs, the Group develops new products and technologies that help to improve the environment for society as a whole. To meet customers' needs, the Group works to make customer sites and offices more environmentally-friendly by formulating and providing solutions that accurately meet the customers' needs for reducing their environmental impact. The Group measures its performance here in terms of numbers of new developments and effective environmental benefits to customers. These environmental benefits are calculated as an estimate (i.e., deemed effect) of the reduction in the environmental impact after the customer has adopted Kurita's proposal.

With regard to internal change, the Group sets targets for reduction of CO₂ emissions and reduction of waste disposal volume, and strives to reduce the environmental impact from its operations.

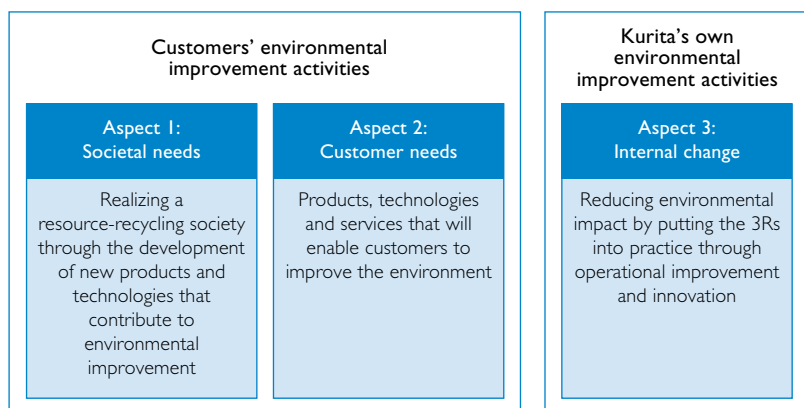
Results of Environmental Activities in the Year Ended March 31, 2011

With respect to societal needs, in the Water Treatment Chemicals business, the Kurita Group has developed new products for reducing usage of heavy oil and chemicals at customers' plants. In water treatment facilities, we have developed new wastewater treatment systems that reduce electricity usage and the volume of sludge generated by customers.

Regarding customer needs, Kurita helped customers to realize environmental benefits that surpassed Kurita's initial targets for reducing CO₂ emissions and water pollutants.

For internal change in addition to its previous initiatives, Kurita formulated an integrated policy for the entire Group that sets out water quality management and a response to emergency situations at all levels. The policy was based on results of a risk evaluation for wastewater treatment facilities management. Details and concrete data are scheduled to be published in the Kurita Group Environmental Report in October 2011.

The Three Aspects of Kurita's Environmental Improvement Activities



Topics

In response to the Great East Japan Earthquake that struck in March 2011, the Kurita Group donated ¥100 million in assistance to support victims of the disaster and to help recovery efforts in affected areas. The Group also supplied its own drinking water product *Minerise Water* to stricken areas.

The Kurita Group will continue working to support people in affected areas.

